

G-012/CI-89-904 ORDER ACCEPTING FILING AND CLOSING DOCKET

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Don Storm  
Tom Burton  
Cynthia A. Kitlinski  
Dee Knaak  
Norma McKanna

Chair  
Commissioner  
Commissioner  
Commissioner  
Commissioner

In the Matter of the Petition of  
the Department of Public Service  
for an Investigation of Western  
Gas Utilities, Inc.

ISSUE DATE: January 12, 1993

DOCKET NO. G-012/CI-89-904

ORDER ACCEPTING FILING AND  
CLOSING DOCKET

**PROCEDURAL HISTORY**

On November 29, 1989 the Commission initiated this investigation into specified areas of Western Gas Utilities, Inc.'s (Western or the Company) operations. Those areas were adequacy of gas supply, financial transactions between the Company and its parent, and apparent discrepancies between gas costs and Purchased Gas Adjustment charges. Issues in these areas have been resolved one by one during the course of the investigation. On September 22, 1992 and November 16, 1992 the Company filed reports on discrepancies between gas volumes purchased and gas volumes sold. Gas volumes purchased were significantly higher than gas volumes sold. The reports attributed most of the discrepancy to the Company's practice of paying gas suppliers on the basis of nominated volumes instead of estimated actual deliveries.

The Company reported it had started paying suppliers on the basis of estimated actual deliveries and had received credits from its suppliers for gas that was nominated but not delivered. The Company also attributed a small part of the discrepancy to unavoidable mismatches in meter reading dates.

On November 30, 1992 the Department of Public Service (the Department) filed comments recommending that the Commission accept the Company's reports and close the docket.

The matter came before the Commission on December 30, 1992.

### FINDINGS AND CONCLUSIONS

The Company's September 22 and November 16 filings comply with previous Commission Orders and adequately explain discrepancies between gas volumes purchased and gas volumes sold. The Company has taken appropriate steps to prevent discrepancies in the future and to correct the effects of past discrepancies. The reports will be accepted. Since the reports address the final issue in this investigation, the docket will be closed.

### ORDER

1. Western's reports on discrepancies between gas volumes purchased and sold, filed on September 22 and November 16, 1992, are accepted as in compliance with Commission Orders in this docket.
2. This docket is closed.
3. This Order shall become effective immediately.

BY ORDER OF THE COMMISSION

Richard R. Lancaster  
Executive Secretary

(S E A L)